

## 2030 ACTION PLAN: FOUNDATIONS

The foundations 2030 Action Plan is composed of priority enablers that address the governance dimension of the ESG strategy. It has mostly rather qualitative targets and contributes indirectly (i.e. through their enablement) to improve the environmental and social performance, described hereafter.



### GOVERNANCE

- | BEHAVE ETHICALLY
- | USE ESG REGULATIONS TO ACCELERATE THE SUSTAINABILITY TRANSITION
- | ADOPT A DUE DILIGENCE STRATEGY
- | PROMOTE GREEN INVESTMENT OPPORTUNITIES
- | MAINTAIN A TRANSPARENT COMMUNICATION

The full 2030 Action Plan can be consulted in the Non-financial statements of this Report.

▮ [NON-FINANCIAL STATEMENTS: 2030 ACTION PLAN, P.274](#)



## Behave ethically

### WHY IS THIS IMPORTANT?

Ethical behaviour is of capital importance to run the organisation and conduct business in order to create a relation of trust with all stakeholders and keep reputation high.

### ACTION(S)

- Publication of four new policies
- Preparation of the future Human Rights policy

### 2030 ACTION PLAN

#### ONGOING

Creation of a Human Rights policy  
**> Target: published by end 2022**

#### 100%

Part of digitalisation projects controlled within the framework of GDPR  
**> Target: 100% (permanent target)**

### DESCRIPTION AND APPROACH

One of Befimmo's main goals is to uphold exemplary internal ethical standards, by putting in place the necessary means to prevent, detect and treat unethical behaviour.

In terms of ethics, Befimmo applies high standards which derive from its Company policy, its BE-REIT status and the environment in which it operates. Ethical conduct is an integral part of Befimmo's corporate culture, which emphasises honesty, integrity and the respect of high ethical standards in the performance of its activities. Befimmo further abides by the principles of corporate governance laid down by the Belgian Code on Corporate Governance ("2020 Code").

Befimmo has established a [set of policies](#) and has taken measures to guarantee ethical standards at all levels of the Company:

- Corporate Governance Charter
- Code Of Ethics
- Dealing Code
- Whistleblowing Policy
- Anti-Corruption Policy
- Client and Counterparty Acceptance Policy including preventions measures against the risk of anti-money laundering and terrorism financing
- [Privacy Policy](#)
- Policy on Diversity and Inclusion
- Philanthropy and Associative Partnership Policy
- Supplier Code of Conduct
- ESG Policy
- Signatory to the UN Global Compact

With the exception of the Client and Counterparty Acceptance Policy (which is not published on for discretion reasons), the abovementioned policies are available

on the Company's website (for external stakeholders) and on the Intranet (for team members). The General Counsel & Secretary General also gives regular presentations to the team covering these topics.

### LOOKING AHEAD

Befimmo wants to increase transparency for its stakeholders, sharing statements on how Befimmo positions itself regarding ESG aspects. In 2022, Befimmo will work on the implementation and training of the policies that were amended or newly adopted:

- Whistleblowing Policy (extended early 2022)
- Anti-Corruption Policy (adopted early 2022)
- Diversity and Inclusion Policy (codified early 2022)
- Philanthropy and Associative Partnership Policy (amended early 2022)

In addition, Befimmo intends to adopt a Human Rights Policy in the near future.



## Use ESG regulations to accelerate the sustainability transition

### WHY IS THIS IMPORTANT?

With the implementation of the new EU directives linked to non-financial reporting, the scope of companies required to report on ESG aspects will be increased. This is an important step in the acceleration of the transformation towards more transparency.

### ACTION(S)

Preparation and gradual alignment of non-financial reporting according to future ESG regulation requirements

### 2030 ACTION PLAN

#### ONGOING

Alignment with future ESG regulations  
> **Target: fully aligned by 2024**

### DESCRIPTION AND APPROACH

Non-financial reporting has drastically improved over the past years. However, there is still room for improvement with regard to, amongst others:

- strengthening the completeness and transparency of information
- the contribution to Europe's commitment to achieve carbon neutrality by 2050
- the alignment of communication practices
- the comparability of ESG performance between companies
- the management of sustainability-related matters in own operations and value chains as regards social and human rights

Therefore, Befimmo is preparing for future ESG regulations that will improve non-financial reporting even more.

The main regulations that concern (in)directly Befimmo are the Taxonomy Regulation, the Proposal for a Corporate Sustainability Reporting Directive (CSRD), the Proposal for a Sustainable Corporate Governance Directive, the Sustainable Finance Disclosure Regulation (SFDR), the Fit for 55 package and the Proposal for a European Green Bond Standard.

❏ [NON-FINANCIAL STATEMENTS: GOVERNANCE, P.273](#)

❏ [PROMOTE GREEN INVESTMENT OPPORTUNITIES, P.67](#)

### LOOKING AHEAD

By adopting new policies and amending existing ones (see above) and by setting a higher focus on its entire value chain (see hereafter), Befimmo aims at anticipating on the upcoming regulation.

The Company will of course continue to closely monitor the ESG regulatory initiatives (on top of the above-mentioned regulations, in particular, the initiatives on a Social Taxonomy and regarding pay transparency) with a view to identifying the actions to be undertaken with regards to ESG aspects.



# Adopt a due diligence strategy

## WHY IS THIS IMPORTANT?

Befimmo has a role to play to promote sustainable and ethical behaviour throughout its entire value chain. In order to establish strong partnerships with its stakeholders, they need to be onboarded in Befimmo's 2030 Action Plan.

## ACTION(S)

- Creation of a new supplier code of conduct
- Development of a supplier assessment process

## 2030 ACTION PLAN

### NEW OBJECTIVES

Part of the suppliers who signed the new code of conduct

> **Target: 100% by 2023**

Part of the significant<sup>1</sup> suppliers assessed

> **Target: 100% by 2024**

Part of the significant<sup>1</sup> suppliers engaged

> **Target: 100% by 2030**

## DESCRIPTION AND APPROACH

### Tenants and occupants

Befimmo has developed and implemented a Client and Counterparty Acceptance Policy, including preventions measures against the risk of anti-money laundering and terrorism financing, with a view to the prior assessment of potential tenants and occupants before entering any business relationship with them.

✎ [CORPORATE GOVERNANCE, P.166](#)

### Suppliers

To further integrate the sustainability approach into its supply chain, Befimmo has drafted a sustainable procurement charter to clearly communicate the commitments it expects from its suppliers. This charter was published on the Befimmo website in early 2018 and adherence is included in the standard terms and conditions required of all suppliers.

Next to raising awareness among its supply chain, Befimmo also assessed its 200 most important suppliers (representing 80% of the overall purchases) in 2020, in order to determine if they are on the same page regarding environmental, social, and governance aspects. Befimmo gained valuable information which it analysed thoroughly. This first exercise prepared the Company to work on a global framework for all its suppliers. This global framework included the reflection, in 2021, on the adoption of a

[Supplier Code of Conduct](#) and the implementation of an assessment process for the Befimmo suppliers.

### Subsidiaries

Befimmo's ESG strategy is implemented at group level. The following subsidiaries are thus already fully aligned with Befimmo's ESG strategy: Befimmo Property Services SA/NV, Fedimmo SA/NV, Axento SA, Meirfree SA/NV, Vitalfree SA/NV, Loi 52 SA/NV, ZIN in Noord SA/NV, ZIN In Noord 2025 SA/NV and Kubissimmo SARL.

Silversquare, another subsidiary of Befimmo, operates coworking centres and jointly develops a Belux network of flexible workspaces, allowing users to combine work locations in ways that promote creativity, innovation and networking. It is core to Befimmo's strategy, answering to the increasing interest of companies in hybrid workspace solutions.

Befimmo and Silversquare have jointly started working on an integrated ESG strategy, taking into account specific aspects linked to coworking, and integrating Silversquare into the 2030 Action Plan.

## LOOKING AHEAD

The due diligence process for tenants and occupants will be extended to the suppliers of the Company. In 2022, Befimmo will finalise its new supplier code of conduct and determine the best way to disseminate the documents to all suppliers. The Company will also implement a supplier

assessment process for all suppliers "at risk", according to its due diligence procedure. The tool for this supplier assessment will be determined in 2022 as well.

Regarding the onboarding of subsidiaries in the global ESG strategy, a first concrete action will be put into place with Silversquare in the course of 2022. The company has been working with an external partner in order to determine and analyse the carbon footprint of its activities.

Befimmo will proactively inform all future subsidiaries on the ESG strategy on the Company, and the necessity to adopt their own strategy according to their activities, starting with Sparks.

1. Significant suppliers are suppliers having a potential risk on ESG aspects.

## Promote green investment opportunities

### WHY IS THIS IMPORTANT?

Promoting green investment opportunities is a clear commitment to making strategic investments in sustainable projects and creating long-term value for Befimmo's users, investors and shareholders.

### ACTION(S)

- First investment within the Green Financing Framework
- Preparation of a Sustainability Linked Loan Framework

### 2030 ACTION PLAN

#### NEW OBJECTIVE

Implementation of a Sustainability Linked Loan Framework

> **Target: implemented in 2022**

### DESCRIPTION AND APPROACH

In 2021, Befimmo finalised its Green Financing Framework. It provides the supporting structure on which Befimmo can issue green bonds, green private placements or green bank financing to drive its sustainability targets. The Framework is a natural and logical extension of all sustainability and environmental actions the Company undertakes.

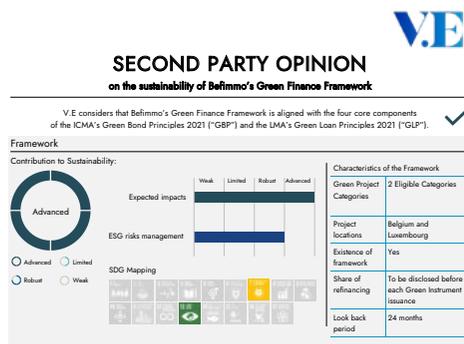
As a whole, the framework sets out to provide the investors with the necessary information to evaluate the environmental impact of their investment. Therefore, the Company defined a set of criteria for selecting projects eligible to be financed or refinanced by the proceeds of any financing issued under the framework. This framework was subject to a Second Party Opinion executed by Vigeo Eiris.

At yearend, Befimmo had €376 million in eligible projects and at least an additional €355 million of eligible projects in its development pipeline.

In 2021, Befimmo issued its first green financing for a total amount of €50 million. The proceeds have been used to finance part of the Quatuor project.

### LOOKING AHEAD

In the course of 2022, Befimmo will continue its efforts to convert its traditional debt financing towards green and sustainable forms, backing up the sustainable commitments it makes on the operational side to its investors. Therefore, it aims to introduce a Sustainability Linked Bond & Loan Framework (complementary to the Green Financing Framework) which will set out the targets, aligned with the SBTs, and procedures for any sustainability-linked financing it intends to issue. Furthermore, it will monitor, and update where necessary, its Green Financing Framework to align with the EU Taxonomy.



Project	Quatuor	Paradis Express	ZIN	Total eligible projects
Surface	61 613 m <sup>2</sup>	21 208 m <sup>2</sup>	114 692 m <sup>2</sup>	197 513 m <sup>2</sup>
Project start date	01/01/2018	01/06/2019	01/10/2020	-
Project delivery date	31/03/2022	31/03/2022	30/04/2024	-
Capex spent	€168.7 million	€50.2 million	€135.3 million	€354.2 million
Capex to spend	€10.9 million	€9.5 million	€334.6 million	€355.0 million
Certification	BREEAM Outstanding in Design phase	BREEAM Excellent in Design phase	-	n.a.

## Maintain a transparent communication

### WHY IS THIS IMPORTANT?

Non-financial reporting becomes increasingly important among investors, clients, banks and regulators as they are looking for more standardisation in order to include non-financial drivers in their decision-making.

### ACTION(S)

- Permanent analysis of all relevant investor assessments
- Increased participation in stakeholder assessments and therefore improve Befimmo's transparency in terms of ESG aspects

### 2030 ACTION PLAN

#### 3

Number of annual participations in investor assessments

**> Target: min. 2 voluntary assessments per year**

### DESCRIPTION AND APPROACH

For many years now, Befimmo has paid particular attention to the reliability of the reporting process, and rigorous, accurate and transparent financial and non-financial communication. The Company has seen a growing interest from investors in ESG and sustainability topics which are increasingly integrated into investment processes.

Befimmo has aligned itself with the most ambitious and complete tools and frameworks for sustainable development, by adopting concrete targets, codes of conduct, and conventions on environmental, social and governance aspects.

✗ [EPRA SUSTAINABLE PERFORMANCE INDICATORS, P.116](#)

✗ [NON-FINANCIAL STATEMENTS: GRI CONTENT INDEX, P.245](#)

✗ [NON-FINANCIAL STATEMENTS: TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES \(TCFD\), P.248](#)

Thanks to its thorough, standardised and transparent way of communicating, the Company was able to gain recognition and to receive high ratings for its non-financial reporting.

### LOOKING AHEAD

Befimmo aims to further analyse, develop and improve communication in line with the reference standards in force. It will maintain its participation level in various surveys high and use the scores as feedback to keep improving its sustainability initiatives.

### FRAMEWORKS FOR SUSTAINABLE DEVELOPMENT



### RECOGNITIONS



1. Befimmo has integrated 15 of the 17 Sustainable Development Goals in its day-to-day business. SDG 2 (Zero Hunger) and 14 (Life below Water) were not considered as these SDGs are not directly or indirectly linked to Befimmo's business.

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